

ARKANSAS

STATE PLAN FOR TITLE IV-A OF THE

SOCIAL SECURITY ACT:

TEMPORARY ASSISTANCE TO NEEDY FAMILIES

**TRANSITIONAL EMPLOYMENT ASSISTANCE
PROGRAM**

**Department of Human Services
July 2004**

CERTIFICATIONS

The State will operate a program to provide Temporary Assistance to Needy Families (TANF) to reduce dependence of needy parents on government benefits by promoting work so that children may be cared for in their own homes or in the homes of relatives; to prevent and reduce the incidence of out-of-wedlock pregnancies; and to promote family unity.

This program is known as the **Transitional Employment Assistance Program**.

Executive Officer of the State (Name) **Mike Huckabee**.

In administering and operating a program which provides Temporary Assistance for Needy Families under Title IV-A of the Social Security Act, the State:

1. Has designated the **Department of Human Services (DHS)** as the agency responsible for administering the program under Part A in all political subdivisions of the state.
2. Has consulted local governments and private sector organizations regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and has allowed at least 45 days to submit comments on the plan and the design of such services.
3. Operates a Child Support Enforcement program under the State plan approved under part D.
4. Operates a Foster Care and Adoption Assistance program in accordance with part E and certifies that the State will take all necessary actions to ensure that children receiving assistance are eligible for medical assistance.
5. Provides each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a Tribal Family Assistance plan approved under Section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.
6. Establishes and enforces standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

7. Makes available to the public a summary of the State plan.
8. Has established procedures to:
 - a) Recognize individuals receiving assistance under this part with a history of domestic violence and, when appropriate, refer such individuals to counseling and supportive services;
 - b) Waive, on a case-by-case basis and pursuant to a determination of good cause, other program requirements such as time limits (for as long as necessary) for individuals receiving assistance, and child support cooperation requirements when compliance with such requirements would make it more difficult for an individual receiving assistance under this part to escape domestic violence or unfairly penalize such an individual who is or has been victimized by such violence, or who is at risk of further domestic violence.

Decisions to waive compliance with TEA requirements will be made on an individual, case-by-case basis, and will not endorse an individual's failure to behave proactively to ameliorate destructive domestic violence situations. We support domestic violence victims taking actions to recover their lives through the relief provided by resources Arkansas makes available.

CERTIFIED BY THE CHIEF EXECUTIVE OFFICER OF THE STATE:

Date

Signature and Title

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Section 1 ORGANIZATION**1.1 Organizational Structure of DHS**

The Department of Human Services is an umbrella agency under which the various Divisions provide financial, medical, and social services. Within the Department, the Division of County Operations has primary responsibility for the administration and supervision of the Title IV-A assistance program. The Office of Finance and Administration has responsibility for Title IV-A program functions relating to the financial aspects and personnel standards.

An organizational chart of the Department, Division of County Operations, and the Transitional Employment Board is attached.

1.2 Statewide Operation

The Department of Human Services (DHS) will operate a statewide program. The Division of County Operations within DHS will be responsible for the day-to-day operation of the program.

1.3 Implementation Date

The Department of Human Services implemented the Transitional Employment Assistance Program on July 1, 1997.

1.4 Public/Private Agency Relationships

The Department of Human Services may, as appropriate, provide work activities, training, and other services through contracts.

The Department will enter into interagency agreements with the Department of Health, the Department of Education, the Employment Security Department (ESD) and the Office of Child Support Enforcement (OCSE) for the provision of necessary services and necessary exchanges of information. The Department may also interface with other agencies such as Division of Behavioral Health Sciences, Welfare to Work and Department of Workforce Education in providing employment-related services.

The Department will solicit participation of private organizations, nonprofit organizations, charitable organizations, religious organizations, and institutions of education in the delivery of services.

1.5 Arkansas Transitional Employment Board

The Arkansas Transitional Employment Board shall review, recommend and approve TEA regulations developed by the department, develop a performance management plan for achieving outcomes, oversee the operation of the TEA program and progress toward the outcomes, advise and assist all State agencies in the implementation of the TEA program, provide evaluation and feedback on various aspects of the program, respond to and report citizens concerns and submit biannual reports to the State Legislature and to the Governor.

The Arkansas Transitional Employment Board is composed of the following members:

1. The directors of the following state agencies:
 - Department of Human Services
 - Arkansas Employment Security Department
 - Department of Health
 - Department of Workforce Education
 - Department of Higher Education
 - Arkansas Economic Development
2. Three members appointed by the Governor.
3. Six members, at least one of whom shall be a current or former TEA or AFDC recipient, appointed by the Governor from a list of ten nominees, of whom five, at least one of whom shall be a current or former TEA or AFDC recipient, shall be submitted by the President Pro Tem of the Senate and five, at least one of whom shall be a current or former TEA or AFDC recipient, shall be submitted by the Speaker of the House of Representatives.

The appointed members shall be employed in the private sector and a majority of those members shall have managerial experience.

Section 2 PURPOSE AND GOALS

The purpose of the Transitional Employment Assistance program is to help economically needy families become more responsible for their own support and less dependent on public assistance. Central to this purpose is helping adults and minor parents increase their employment potential; helping to reduce out of wedlock births; and promoting family unity.

2.1 Public Involvement

The Department of Human Services and the Governor's Office held sixteen public forums across the state between November 19, 1996 and December 13, 1996 informing the public of the TEA program. Five of the forums were "customer focus groups" primarily for client participation. It was estimated that a total of 2,000 persons attended the forums. Those in attendance included recipients, service providers, personnel from various public and private agencies, and representatives from various advocacy groups. Comments and concerns were solicited from those in attendance.

In September 1999, a copy of the Title IV-A State Plan was provided to each of the currently organized local TEA Coalitions (69 statewide) for review and comment during the forty-five (45) day public comment period. A copy of the plan was also available in each local DHS county throughout the State during this time.

A copy of the Title IV-A State Plan was available for public review and comment November 2, 2001 through December 16, 2001.

A copy of the Title IV-A State Plan was available for public review and comment November 1 through December 15, 2004.

Legislative Session

The Transitional Employment Assistance program was presented at the 1997/98 Arkansas Legislative session. The Arkansas House of Representatives and Senate both held public hearings during which testimony was taken from advocacy groups and private individuals.

During the 1999/2000 Arkansas Legislative session, Act 1567 of 1999 was enacted which made various changes to the TEA program as a result of legislative review and public input. Those changes are reflected in this Plan.

During the 2000/2001 Arkansas Legislative session, Act 1264 of 2001 was enacted which made

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various changes to the TEA program as a result of legislative review and public input. Those changes are reflected in this Plan.

During the 2002/2003 Arkansas legislative sessions, Act 1306 of 2003 was enacted that made various changes to the TEA program as a result of legislative review and public input. Those changes are reflected in this Plan.

Administrative Procedures Act

The policies developed to operate the Transitional Employment Assistance program are subject to the promulgation requirements of the Arkansas Administrative Procedures Act. This includes a thirty (30) day public comment period.

2.2 Program Goals

1. To increase the number of families who leave Transitional Employment Assistance due to employment.
2. To increase the number of families leaving Transitional Employment Assistance due to employment that stay employed and experiences a gain in earnings.
3. To increase teen's future earning potential through the completion of high school and by reducing out of wedlock births to teens.

2.3 Measurement of Goals

Measurement of the program goals will be accomplished through performance reports produced by the DHS and from reports from the Arkansas Department of Health relative to out-of-wedlock births.

Section 3 POPULATION TO BE SERVED

Transitional Employment Assistance will be available to economically needy families with children under the age of eighteen (18) years who are residing in the State of Arkansas and meet specified eligibility requirements.

Families receiving cash assistance must meet all of the following eligibility criteria.

3.1 Definition of Needy Family

A needy family is defined as one which includes a child or children under the age of 18 years and the parent(s) or other adult relative caretaker who is living with such child(ren) and whose family income and resources are within specified limits.

3.2 Definition of Other Adult Relative Caretaker

Other adult relative caretaker is defined as a non-parent relative who is providing care for the child (when there is no natural parent in the home) and is in one of the following degrees of relationship to the child:

- a. A blood or adoptive relative within the fifth degree of kinship (e.g., grandparent, aunt, etc.);
- b. Step-father, step-mother, step-sister, step-brother;
- c. A spouse of any of the above.

For purposes of determining family size and family income and resource eligibility, any other adult relative caretaker as defined above, with the exception of a step-parent, may choose to be included as an eligible family member or not. If such relative chooses not to be included (i.e., is a payee only), then his/her income and resources will not be considered when determining eligibility. In addition, employment services described in Section 4 will not be available to such excluded adult relative and the time limit described in Section 3.6 will not apply.

3.3 Income Limit**Cash Assistance**

The family's countable income (as defined in the State policy and procedures manual) must be equal to or below \$223 per month. The one income limit applies to all family sizes and to initial and on-going eligibility. This amount is 25% of what a full-time (40 hours/week) worker would earn at the federal minimum wage which was effective on September 1, 1997 (\$5.15/hour) in a month.

For purposes of income eligibility, the following deductions will be made from a family's gross monthly earned income:

- a. For initial eligibility, a 20% deduction for work related expenses (e.g., taxes).
- b. For on-going eligibility, the 20% work-related deduction followed by a 60% work incentive deduction from the remainder.

3.4 Resource Limit**Cash Assistance**

The family's countable resources must be equal to or below \$3000. The one resource limit applies to all family sizes and to initial and on-going eligibility.

Resources include real and personal property which are currently available or for which the family has the legal ability to make available for current use. The following will be excluded as countable resources:

- a. The family's homestead.
- b. One operable motor vehicle.
- c. Household and personal goods.
- d. Income-producing property.
- e. Monies deposited in an approved Individual Development Account (IDA) or approved escrow account for business or career development.
- f. Monies deposited in an approved Savings for Education, Entrepreneurship, and Down Payment (SEED) account for child's college education.
- g. Any other property specified in the State policy and procedures manual that the agency had determined would be cost-efficient to exclude or which must be excluded due to federal or state statute.

3.5 Citizenship Requirement

Recipients must be citizens of the United States of America; or qualified aliens lawfully present in the United States before August 22, 1996; or aliens to whom public benefits must be provided by federal law; or aliens who entered the United States on or after August 22, 1996 and have been in "qualified alien" status for at least five (5) years.

3.6 Time Limit Requirement

A needy family who meets all other eligibility requirements will not be eligible to receive TEA assistance if the family includes an adult parent (or other adult relative caretaker who is included as an eligible member) who has received such assistance for twenty-four (24) months unless it is determined that the family meets one of the criteria outlined in Section 5 (Exemptions/Deferrals). The twenty-four months need not be consecutive months. The twenty-four (24) month count began July 1, 1998.

A needy family that includes an adult parent who meets the criteria outlined in Section 5 (Exemptions/Deferrals) and is deferred from the twenty-four (24) month time limit will not be eligible to receive TEA assistance beyond the sixty (60) month federal time limit unless it is determined that the family meets one of the criteria outlined in Section 5 (Hardship Extensions).

3.7 Personal Responsibility Agreement Requirement

The Personal Responsibility Agreement (PRA) is an agreement between the department and recipient specifying the recipient's responsibilities that are a condition of receiving employment assistance, which may include an employment plan that describes what the recipient and the department will do to assist the recipient to achieve self-sufficiency through employment. (See Section 8.1 for a description of the PRA.)

3.8 Assignment of Child Support

The adult caretaker must agree to assign child support rights to the State. Such assignment will become effective upon receipt of cash assistance.

3.9 Drug-Related Convictions

An individual who has been found guilty of or has pleaded guilty or nolo contendere to any state or federal offense classified as a felony by the law of the jurisdiction involved, and which has as

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an element of the offense, the distribution or manufacture of a controlled substance (as defined in section 102(6) of the Controlled Substances Act) will be ineligible for TEA benefits. This provision applies only to offenses occurring after July 1, 1997.

The eligibility of the other family members will not be affected by the ineligibility of a person described above. The amount of assistance for which they may be eligible will be determined without regard to the ineligible member's needs. However, if such ineligible person is the child's parent, his or her income and resources will be considered in determining the children's eligibility and amount of assistance.

In accordance with Section 16 of the Arkansas Personal Responsibility and Public Assistance Reform Act, Arkansas opts out of Section 115 of the Personal Responsibility and Work Opportunity Act of 1996. Section 115 states that assistance may be denied to anyone who has been convicted of any felony involving a controlled substance including the use or possession of a controlled substance.

3.10 Minor Parent Living Arrangements

An unmarried parent under the age of 18 must reside in a place of residence maintained by a parent, legal guardian, or other adult relative except in the following situations:

- a. It has been determined that the unmarried minor parent's current living arrangement is appropriate. In this situation, the minor parent and child will be required to continue to reside in such living arrangement as a condition of eligibility unless it is determined that such living arrangement is no longer appropriate due to changed circumstances.
- b. The minor parent has no parent, legal guardian, or other adult relative of his or her own who is living or whose whereabouts are known.
- c. The minor parent's parent or legal guardian will not allow the minor parent and child to live in his/her home and there is no other adult relative who will allow the minor parent and child to live in their home.
- d. The minor parent or child is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the home of the minor parent's parent or legal guardian.
- e. Substantial evidence exists of an act or failure to act that places the minor parent or child at risk of imminent or serious harm in the home of the minor parent's parent or legal guardian.
- f. The agency determines that it is in the best interest of the minor parent's child to waive the living arrangement requirement for the minor parent and child.

Section 4 WORK AND SELF-SUFFICIENCY

As a condition of eligibility, parents, and other adult caretakers who are included as eligible family members, will be required to seek and accept employment unless they are unable to do so due to one or more of the criteria outlined in Section 5 (Exemptions/Deferrals).

4.1 Applicant Intake

During the initial interview with the applicant, information will be obtained regarding household and family employment circumstances. This information will be assessed and options or courses of action will be discussed with the applicant. The family may be diverted from assistance at this point through a Diversion Assistance payment (See Section 6.6 regarding Diversion).

Applicants who are job ready will be informed that as a condition of eligibility for cash assistance, up-front job search activities may be required. (Note: Job Search Activities are not required if child care, transportation, etc., are not available.)

4.2 Employability Assessment

The purpose of the employability assessment will be to determine the applicant's abilities, talents, proficiencies/deficiencies, etc. The assessment is completed to determine the applicant's ability to move into employment and may be done by an agency or organization other than DHS.

During the assessment, the worker will present an orientation/overview of the program, gather pertinent information, and identify barriers which may prevent the applicant from becoming self-sufficient through employment. The worker may also identify the following:

- Family situation/circumstances
- Employment history/work experience
- Educational attainment/ literacy level/functional educational level
- Skills
- Interests
- Supportive Service needs, if any.

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NOTE: Applicants who are identified as victims of domestic violence may be referred for appropriate services. Appropriate services may include but are not limited to: counseling, housing relocation assistance, referral to mental health, referral to prosecuting attorney and/or law enforcement and the DHS Division of Children and Family Services. The worker will, where appropriate, use all available resources to help the victim of domestic violence receive timely/needed services.

4.3 Employment Plan

Information obtained during the assessment will be used to develop the Employment Plan and engage the customer in work or a work-related activity designed to move him/her into full-time employment in the shortest period of time.

The employment plan is a written document which specifies a planned series of actions necessary for the client to accept full time employment. The plan will identify (1) the client's employment goals; (2) problems or impediments which may delay or adversely affect employment and what is needed to solve those problems; (3) the particular TEA work activity which is most appropriate for the client; and (5) specific actions planned with, for, and by the customer in order to attain employment.

During the employment planning interview, the worker verifies, with the client, the severity of any problems (i.e., poor/lack of housing, drug abuse, domestic violence) and identifies actions required to alleviate them. Services will be limited to those necessary for the client to accept employment.

Upon completion of the assessment process, the worker may engage the client in one or more of the following work activities: Employment (Unsubsidized or Subsidized); Education; Vocational Education Training; Job Skills Training; Job Search/Job Readiness; On-the-Job Training; Community Service; Work Experience Training and Micro-Enterprise (Self-employment).

4.4 Work Activities**4.4.1 Employment**

This activity is for clients who enter employment but are not yet self-sufficient. Employed clients may be involved in additional activities directed at increasing their earning potential. To the extent possible, program services for clients will be arranged so as not to conflict with the client's employment.

Employment may be either unsubsidized or subsidized.

Subsidized Employment

Subsidized employment may be in either the private sector or public sector. Such employment is directly supplemented by federal or state funds.

4.4.2 Education

Education includes elementary and secondary education and education to obtain the equivalent of a high school diploma and education to learn English as a second language. In consultation with adult education or rehabilitative services a person with a high school diploma or the equivalent who tests at less than a working functioning level shall be eligible to participate in basic remedial or adult education. If an individual does not have a high school diploma or equivalency, education also includes basic remedial education and adult education.

4.4.3 Vocational Education Training

Vocational educational training is post-secondary education, including, at least, programs at two or four year colleges, universities, technical institutes and vocational schools which is in a field directly related to employment.

4.4.4 Job Skills Training

This activity provides job skills training in a specific occupation. Job skills training may include customized training designed to meet the needs of a specific employer or a specific industry.

4.4.5 Job Search/Job Readiness Activities

Persons engaged in this work activity may include those (1) for whom no major personal or family problems were identified and who are job ready; (2) who are determined to have limited or no job search knowledge or skills; (3) who have limited or no recent employment; and (4) those the worker thinks would benefit from this work activity.

Job Search may consist of Job Club and Assisted Job Search activities, or Assisted Job Search alone. In Job Club, clients are provided group employment counseling and instructions on effective job search and interview techniques followed by a period of assisted job search.

Job readiness activities may include any type of activity deemed necessary for the individual to become ready for work. Such activities may include substance abuse treatment, employment counseling and life skills training, etc.

4.4.6 On-The-Job Training

On-the-Job Training is training and work experience at a public or private not-for-profit agency or organization or with a private for profit employer which provides an opportunity to obtain training and job supervision and provides employment upon satisfactory completion of training.

4.4.7 Community Service

The State opts out of the provision at Sec. 402(a)(1)(B)(iv) of the Act with regard to requiring community service after an individual has received assistance for two months if he or she is not engaged in work. However, Community Service is an allowable work activity when the individual is engaged in it through another agency or organization, e.g., community punishment, Arkansas Rehabilitative Services, etc.

4.4.8 Work Experience Training

Work Experience Training is job training experience at a supervised public or private not-for-profit agency or organization or with a private, for-profit employer, which is linked to education or training and substantially enhances a recipient's employability. Work experience may include training-related practicums and internships.

4.4.9 Micro-enterprise (Self-employment)

The development of this activity will be on a very limited basis, when definite entrepreneurial potential is present. Assistance may include the dissemination of available information on starting businesses, developing a list of sources of possible contacts, locating training and business information centers, determining potential lenders, etc.

An individual participating in this activity may set up escrow accounts into which the profits from their business will be deposited. This account will be disregarded when determining eligibility for assistance or future transitional benefits.

4.5 Minor Parent Program

The minor parent program is a special program designed to assist adolescent parents to prepare themselves for entrance into the labor market. The emphasis will be on the minor parent completing his/her basic education.

Objectives

- To enable more minor parents to complete high school or its equivalent.
- To reduce the prevalence of welfare dependency.
- To reduce the number of pregnancies occurring among Arkansas' teenage population.

The minor parent program will ensure that participants are enrolled in either basic education or some kind of training, getting basic skills and education or work experience. Clients will receive supportive services while in the program and for as long as a year after they leave the program.

All non-exempt/deferred minor parents will be required to participate in the program.

Section 5 EXEMPTIONS AND DEFERRALS

The following individuals may be exempted or temporarily deferred from any work activity requirement:

- a. A parent caring for a child:
 - (1) Under three (3) months of age; or
 - (2) Between three (3) and twelve (12) months of age if child care for such child is not available.A parent may be exempted for this reason for a maximum of twelve (12) months in his or her adult lifetime.
- b. A disabled parent or caregiver.
- c. A woman in the third trimester of pregnancy.
- d. A parent or caregiver who is caring for a disabled child relative or disabled adult relative living in the home.
- e. A teen parent/head-of-household under the age of twenty (20) who maintains satisfactory attendance as a full-time student at a secondary school.
- f. An individual for whom support services necessary to engage in a work activity are not available.
- g. An individual who is unable to participate in work activities due directly to the effects of domestic violence.
- h. An individual unable to participate in a work activity due to circumstances beyond his or her control.
- i. A parent or other adult caretaker who is over sixty (60) years of age.

The twenty-four (24) month time limit will not apply in any month in which an individual is exempt/deferred for any of the above reasons. In addition, the following individuals may receive an extension of the time limit:

- j. an individual who cooperated and participated in required activities but was unable to obtain employment because of circumstances beyond his or her control;
- k. other individuals for whom it is determined appropriate to extend the time limit, particularly, but not limited to, cases in which it is necessary to protect the child from risk of neglect.
- l. Individuals participating in education and training activities who have reached the end of their twenty-four (24) month cumulative limit on financial assistance, have complied with all TEA requirements and are within six (6) months of completing their current education or training program. However, the county office can make an exception and provide an extension to the six months on a case-by case-basis.

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Exemption or deferral from the twenty-four month time limit does not exempt an individual from the federal sixty (60) month time limit. Therefore, individuals who have reached the sixty (60) month time limit due to exemptions or deferrals from the twenty-four month time limit may receive an extension of the 60 month time limit if the individual meets one of the following hardship extension criteria:

- a. the adult has a physical or mental impairment that is too severe for Rehabilitation services and the individual has been denied SSA/SSI disability through an appeal.
- b. The adult is receiving services through Arkansas Rehabilitation Services in a sheltered workshop and ARS has stated that is the extent of activities the individual can do.
- c. The adult is receiving treatment through the Severe Barriers Project and the Severe Barriers Project team is providing case management services.
- d. The adult has been, and continues to be, unable to participate in work activities due directly to the effects of domestic violence.
- e. The adult was unable to participate in work activities due to circumstances beyond the adult's control.

Section 6 BENEFITS

The TEA program provides various services and assistance to low-income families. TEA benefits may include monthly cash assistance, employment and supportive services for cash assistance recipients, and Extended Support Services for certain former cash assistance recipients. In some situations, a family may be determined eligible for a diversion payment instead of regular monthly TEA assistance. In addition, relocation assistance may be available on a limited basis.

The Division Director also has the flexibility to authorize the use of TANF funds to provide assistance or services to at-risk children or families through programs deemed consistent with the intent of federal and/or state law.

6.1 Cash Assistance**6.1.1 Monthly Cash Assistance Payment Amount**

The following amounts by family size are the monthly cash assistance maximums an otherwise eligible TEA family may be paid:

Family Size	Maximum Grant
1	\$ 81
2	162
3	204
4	247
5	286
6	331
7	373
8	415
9 or more	457

6.1.2 Cash Assistance Payment Calculation

The above monthly amounts are not reduced by monthly countable income until a specified income trigger is achieved. When the family's monthly gross earned income plus unearned income equals the monthly equivalent of 20 hours per week of work at the September 1997 minimum wage, then the above maximum payment for the family size is reduced by 50%. Based on the September 1997 minimum wage of \$5.15 per hour, this income trigger is \$446.

6.1.3 Family Cap

The cash assistance amount is not increased due to the addition of a newborn to the family. Newborn is defined as a child born while the mother is receiving TEA benefits, either for other children of her own or as a minor child herself, or who is born within nine months of the month such assistance was terminated to the mother unless the mother's case has been closed continuously for at least six (6) months.

6.1.4 Penalties for Program Non-Compliance

A family's cash assistance will be reduced when the adult caretaker or a minor parent is found to be in non-compliance with the child support cooperation requirement, the work activity requirements, and/or other requirements of the Personal Responsibility Agreement.

Non-Cooperation with the Office of Child Support Enforcement (OCSE)

When the OCSE determines that an adult caretaker or a minor parent whose cooperation is required in order to establish paternity or to obtain child support payments has failed to cooperate in those activities and so notifies the DHS county office, the non-compliance penalty will be imposed.

The non-compliance penalty is a 25% reduction of the full cash assistance payment.

The penalty may be lifted at any time upon compliance with child support enforcement requirements.

Non-Compliance with the Work Activity Requirements

When it is determined that a person who is required to participate in work activities has failed to do so without good cause, a progressive sanction will be imposed.

The progressive sanction is as follows:

Level I

Month 1 of Non-Compliance – Suspension of cash assistance payment
(Implemented upon completion of system changes. Until then, a 25% reduction in the full cash assistance payment will be made)

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Months two and three of Non-Compliance –25% reduction of the full cash assistance payment.

Level II

Months four through six of Non-Compliance - 50% reduction of the full cash assistance payment.

Level III

Month seven and subsequent months of Non-Compliance – possible closure of the TEA case or a continuation of the 50% reduction.

The sanction may be lifted at anytime upon compliance with the work activity requirements for a period of two (2) weeks.

Non-Compliance with Other Requirements of the PRA

When it is determined that a person who has signed a Personal Responsibility Agreement has failed to comply with any other activity required by the PRA (such as ensuring the children receive immunizations), the appropriate non-compliance penalty will be imposed. The penalty may be lifted at any time upon the receipt of proof that the particular requirement has been met.

6.2 Supportive Services

Appropriate supportive services will be available to TEA family members. Such services include, but are not limited to, case management services, child care assistance, medical coverage for all Medicaid eligible family members, transportation or reimbursement for transportation costs, purchases (or reimbursements) for work related expenses, referrals to appropriate agencies or organizations for counseling, treatment, etc., and other services deemed necessary by the Case Manager for successful participation by the client.

Supportive services will be available to TEA applicants whose TEA cash assistance case previously closed due to non-compliance with a work activity requirement. Such services include, but are not limited to child care and transportation and other services as deemed necessary by the Case Manager for successful compliance prior to approval of the TEA application.

6.3 Relocation Assistance

Cash assistance to help a family move from an area of limited job opportunities to a new locality within Arkansas for full-time employment may be available on a limited basis. Before relocation assistance is provided, the person must have a bona fide offer of full-time employment in the new locality.

6.4 Individual Development Account (IDA) Pilot Project

In selected pilot communities, TEA recipients may establish Individual Development Accounts (IDA) for the purpose of accumulating savings, up to certain maximums specified in the State policy and procedures manual, for education for themselves or their children, small business development, home ownership, or transportation needs. Such funds will not be considered an available asset in determining the family's TEA eligibility for as long as the family receives TEA.

TEA recipients who secure employment while participating in this project will receive matching fund donations to their IDAs. Recipients who are not employed will not receive matching funds.

6.5 Extended Support Service

For those families who become ineligible for continued TEA benefits due to employment, or who choose to no longer receive cash assistance due to employment, or who reach a state or federal time limit and the adult is employed, extended support services will be available as provided for by federal and state law. Such services will include one year of extended Medicaid coverage for those who meet the eligibility criteria under federal law for such coverage and one year of extended child care assistance at no cost with an additional two years of child care assistance based on a sliding fee scale.

6.5.1 Extended Support Services – Employment Bonus

For those families who become ineligible for continued TEA cash assistance benefits due to employment, or who choose to no longer receive cash assistance due to employment, or who reach the state or federal time limit and the adult is employed, an Employment Bonus cash payment will be made to such family provided a bonus payment has not already been made to the family in the preceding twelve (12) months. The purpose of such payment is to help the employed adult meet employment related expenses, until he or she has received a full month's

6.5.1 con't.

earnings. It is expected that this one-time bonus payment will help enable the adult to maintain his or her employment.

The Employment Bonus will not count toward the adult's maximum twenty-four month limit.

6.5.2 Extended Support Services - Transportation

For those families who become ineligible for continued TEA cash assistance benefits due to employment, or who choose to no longer receive cash assistance due to employment, or who reach the state or federal time limit and the adult is employed, two months of Extended Support Transportation assistance will be made to the family. The payments will assist the family in meeting transportation costs in the first two months following termination of TEA cash assistance.

The Extended Support Transportation payment will not count toward the adult's maximum twenty-four month limit.

6.5.3 Extended Support Services - Job Retention

For those families who become ineligible for continued TEA cash assistance benefits due to employment, cash payments for the purpose of enabling the adult to retain his or her job may be made during the twelve-month period following the closure due to employment.

The Extended Support Job Retention payments will not count toward the adult's maximum twenty-four month limit.

6.5.4 Extended Case Management Services

Extended Case Management Services are provided to an individual whose case closes due to employment for up to twelve months following case closure. Periodic contacts are made with the employed person to ensure that necessary support services are being received and to make appropriate referrals if necessary.

6.6 Diversion Payment

A diversion payment may be provided to an otherwise eligible TEA family in certain specified circumstances so that the family does not come on to regular TEA cash assistance. To qualify for diversion, the adult caretaker must meet the following conditions:

- (a) Have a minor child living in the home;
- (b) Be currently employed but having a problem that jeopardizes the employment; or
- (c) Be promised a job but needs help in order to accept the job (e.g., needs car repairs, uniforms, etc.)
- (d) Has never received a diversion payment;
- (e) Agree to forego any TEA benefits for a period of 100 days.

The diversion payment will be the actual cost of what it would take to resolve the problem up to a maximum equal to three (3) months of what the monthly TEA cash assistance would have been for the family size.

Under Arkansas State Law, a diversion payment is considered a loan. If not repaid, it will count toward the adult's maximum time limit of twenty-four (24) months.

6.7 Treatment of New State Residents

The same benefits will be available to new residents of Arkansas as are available to all other Arkansas residents.

Section 7 OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)**7.1 Assignment**

In accordance with Arkansas State Law, child support rights are assigned to the State when an individual accepts Transitional Employment Assistance.

7.1 Good Cause Determination

The Division of County Operations within the Department of Human Services will make the good cause determinations for nonparticipation in child support activities.

7.2 Exchange of Information

The exchange of information between DHS and OCSE will be system generated and/or by written notice.

7.3.1 Department of Human Services to the Office of Child Support Enforcement

The Department of Human Services will refer recipients of Transitional Employment Assistance to the Office of Child Support Enforcement for participation in child support activities by a system generated notice upon certification of assistance.

7.3.2 Office of Child Support Enforcement to the Department of Human Services

The Office of Child Support Enforcement will notify DHS when paternity has been established, a recipient has not cooperated in the establishment of paternity or other child support activities and when child support collected exceeds the cash assistance amount. The Office of Child Support Enforcement will make available to DHS employer reported New Hire data.

Section 8 PARENTAL RESPONSIBILITY

The Transitional Employment Assistance program will encourage parental responsibility through various elements of the program.

8.1 Personal Responsibility Agreement

As a condition of the family's eligibility for TEA, the adult caretaker and/or minor parent must sign a Personal Responsibility Agreement (PRA) as a part of the application for assistance. The PRA lists the adult's and/or minor parent's responsibilities relative to receiving TEA assistance as well as responsibilities directly related to the well-being of the children. These responsibilities include but are not limited to ensuring that school-age children attend school, that the children receive immunizations at the appropriate ages, and that all reasonable efforts to establish paternity and obtain child support are made.

8.2 Focus on Employment

The primary focus of the TEA program is to move the parent into employment which will lead to self-sufficiency for the family and increased parental responsibility. This focus is stressed from the first contact with the applicant when an assessment is made as to whether job search activities should be required pending disposition of the application. If the application is approved, the employment focus continues throughout the time the family receives assistance.

8.3 Plan to Reduce Unwed Births and Teenage Pregnancy**Introduction**

Unmarried birth prevention should be viewed as a process, not a program, involving multiple strategies and multiple agencies in a sustained effort. The rise in unwed births is an urgent social problem that resists easy solutions. Arkansas' approach is multifaceted with five major components:

- Abstinence programs using funding in the welfare reform act
- Improve access to family planning services statewide
- Community-based efforts in targeted counties
- Media campaign with emphasis on 9-14 year olds
- Two state-level steering committees to coordinate the efforts

8.3 (con't.)**Abstinence Programs**

The Arkansas Department of Health (ADH) has received the Title V abstinence education grant since 1997, and received the SPRANS (Special Project of Regional and National Significance) abstinence education grant from 2001 through June 2004. Both are federal grants from the Department of Health and Human Services. The ADH also uses Family Planning Reimbursement funds to support abstinence education. As of July 1, 2004 only the Title V and Family Planning Reimbursement funds will be available for abstinence education. Approximately \$996, 491 is currently available for local abstinence sub grants.

The Arkansas Department of Health's goal is to remove the barriers to health choices. Teen sexual activity is an unhealthy choice. The ADH invites local communities to apply for grants through a competitive Request for Proposal (RFP) process. Local communities plan the best way to teach "abstinence until marriage". Last year, there were 26 grants serving 16 counties. Counties with the highest birth rates are given funding priority. These counties serve numerous communities that include school districts, faith-based and community-based organizations. ADH provides technical assistance on selecting appropriate materials and data collection to meet the federal requirements as well as the communities need.

The abstinence funds are used to teach the following: (1) the gains realized by abstaining from sexual activity; (2) that abstinence outside of marriage is the expected standard; (3) that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases and other associated health problems; and (4) how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances.

Improved Access to Family Planning Services

On July 1, 1997, the Arkansas Medicaid program began operating a five-year demonstration program that makes all women of childbearing age with incomes at or below 133% of the federal poverty levels eligible for family planning services. Working closely with the Arkansas Department of Health (the Title X family planning agency), this program has increased the financial access to these services and expanded the number of private and public providers. The State has renewed this waiver through 2006. It now covers all women with income at or below 200% of the federal poverty level. All applicants for Transitional Employment Assistance are eligible for services under this demonstration program. Case Managers advise them of the services available and local providers.

8.3 (con't.)

Unwed Birth Prevention Program - Community-Based Initiatives

The many successful models for reducing births to unwed mothers have one common theme: they are developed and implemented at the local level. Community participation and support must be broad-based and reflect a partnership of the many people and organizations that are essential to success.

State funding in the amount of \$750,000 per year is available to local community coalitions for Unwed Birth Prevention Programs. This effort targets the fifteen counties in the state with the greatest number of teenage unwed births. The Unwed Birth Prevention Program through Arkansas Department of Health is in its seventh year of funding. Three coalitions focusing on the Hispanic population have joined the other Unwed Birth Prevention Programs within the last year.

Education and Training on Rape Prevention

The Center for Disease Control (CDC) is funding the Arkansas Department of Health Rape Prevention and Education. In turn, the Arkansas Department of Health has awarded funding to 19 community grantees to provide education to the general public, as well as at risk populations (teens, the disabled, etc.) about rape prevention. Some grantees have formed a task force bringing in other agencies that are supportive of this cause. Some of the grantees include Area Health Education Center in Fort Smith, Arkansans for Drug Free Youth, University of Arkansas at Fayetteville and the Criminal Justice Institute.

Media Campaign

An Abstinence Education Media Campaign targeting youth and parents was a joint effort of the Abstinence Education Program and the Family Planning Program. The media campaign focused on television messages delivered at appropriate listening and viewing times of the target population. One hundred twenty-three thousand viewers were reached each day the commercials were aired. The categories addressed in the commercials were (1) Character Values (2) Sexually Transmitted Diseases, (3) Consequences, and (4) Parents. The commercials provided information to parents, youth and the general public about the correlation between abstinence and living a healthy life style. Commercials were aired from October 2003 through January 2004. There are no plans for a media campaign for the current year.

8.3 (con't)

State Steering Committees

Separate Steering Committees are currently in place to provide input and direct the State's Abstinence and Unwed Birth Prevention initiatives.

The Governor's Abstinence Education Steering Committee, composed of ten members appointed by the Governor, was established by Executive Order of the Governor. This committee provides input regarding abstinence education programs on a statewide basis.

The Unwed Birth Prevention Steering Committee is a legislatively appointed committee of twenty members and is currently chaired by State Representative Jay Bradford. This committee provides oversight and makes recommendations regarding the Unwed Birth Prevention Program.

Numerical Goals

The Arkansas Department of Health has established the following numerical goals for the plan described in Section 8.3.

In FY 2004, reduce the pregnancy rate for Arkansas teenagers aged 15 through 17 years to no more than 42.0 per 1,000 females (1996 provisional baseline = 59.6/1,000).

In FY 2004, reduce the proportion of Arkansas adolescents 17 years and younger who have engaged in sexual intercourse to 51% in FY 2004 (2001 YRBS baseline = 55.5%; 1999 YRBS baseline = 56%; 1997 YRBS baseline = 60%; 1995 YRBS baseline = 62%)

In FY 2004, reduce the reported Sexually Transmitted Diseases (STDs) amount Arkansas youth 15-19 years old to 1,700 per 100,000 (1996 baseline - 1,615/100,000.)

In FY 2004, reduce the rate of births to Arkansas teenagers 15 through 17 years old to no more than 34.0 per 1,000 females in FY 2004 (1996 provisional baseline – 49.1/1000.)

In FY 2004, reduce the rate of births to Arkansans 10 through 14 years old to no more than 1.25 per 1000 females (1996 provisional baseline = 1.79/1000.)

In FY 2004, reduce the proportion of Arkansas youth reporting first sexual intercourse to have occurred at less than 13 years of age to 8% (201 YRBS baseline = 9.8%; 1999 YRBS baseline = 11%; 1997 YRBS baseline = 12%; 1995 YRBS baseline = 14%)

Section 9 GENERAL PROGRAM ADMINISTRATION**9.1 Safeguarding Information**

It is unlawful, except for purposes directly connected with the administration of the Transitional Employment Assistance program, for any person or persons to solicit, disclose, receive, make use of, or to authorize, knowingly permit, participate in, or acquiesce in the use of, any list of names, of or any information concerning persons applying for or receiving such assistance. This includes information from the records, papers, files or communications of the State or County Office, or information acquired in the course of the performance of official duties.

Information concerning an applicant, recipient, or other persons known to the Department will not be made available without the written consent of the applicant, recipient, or other persons known to the Division except to authorized employees of the Department of Human Services and other state or federally funded agencies for certain purposes directly connected to the implementation of the program or other federally funded programs based on need.

9.2 Appeals & Hearings

A ten-day notice will be sent prior to adverse action being taken on a TEA case. The recipient will be allowed to appeal the adverse action if he or she responds within the 30 day time period. Continuation of benefits will be granted provided the appeal was received within 10 days from the date of the notice. The Department of Human Services shall administer and conduct hearings in accordance with the Arkansas Administrative Procedures Act 25-15-201 et seq.

9.3 Program Manuals

The Transitional Employment Assistance Manual will be available to the public at a cost determined by the Department of Human Services. If an entity wants to view the manual, it will be made available at no cost.

Section 10 FRAUD CONTROL**10.1 Intentional Program Violation (IPV) Disqualification**

The family of any individual who pleads guilty or nolo contendere to, or is found guilty of, an Intentional Program Violation in the Transitional Employment Assistance program will be ineligible for further participation in the program for the following minimum time periods:

- (a) For the first offense, one (1) year.
- (b) For the second offense, two (2) years.
- (c) For more than two, permanently.

In addition, the family will continue to be ineligible for TEA assistance until the resulting overpayment (e.g., the total amount of assistance received to which the family was not entitled) has been repaid to the State with interest. This requirement may be waived by the Director of the Division of County Operations or his designee.

10.2 Fraudulent Misrepresentation of Residence

The family of an individual who is convicted in a Federal or State court of having made a fraudulent statement or misrepresentation of residence in order to receive assistance simultaneously from two (2) or more states will be ineligible to receive Transitional Employment Assistance for a minimum period of ten (10) years beginning with the date of such conviction.

In addition, the family will continue to be ineligible for TEA assistance until the resulting overpayment (e.g., the total amount of assistance received to which the family was not entitled) has been repaid to the State with interest. This requirement may be waived by the Director of the Division of County Operations or his designee.

Addendum 1

ARKANSAS

STATE PLAN FOR TITLE IV-A OF THE SOCIAL SECURITY ACT: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

TRANSITIONAL EMPLOYMENT ASSISTANCE PROGRAM

This addendum to the Arkansas Transitional Employment Assistance (TEA) plan will assist the State in assuring that the Foster Care and Adoption Assistance Program is operated in accordance With Part E of the Social Security Act that encourages parental responsibility and promotes family unity.

The Arkansas Department of Human Services, Division of Children and Family Services will provide services to a needy family who has insufficient resources immediately available to Alleviate an emergency situation. For purposes of this addendum, an emergency situation will be Defined as a family member at risk of maltreatment.

For families who are experiencing an emergency situation, the Division will provide a maltreatment assessment of the family needs. This assessment will not affect the eligibility or The benefits that are due a family under the TEA program.

In addition, the State uses TANF funds for emergency assistance activities that were previously authorized as of September 30, 1995 under the AFDC Emergency Assistance State Plan.

ARKANSAS

**STATE PLAN FOR TITLE IV-A OF THE
SOCIAL SECURITY ACT:
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

TRANSITIONAL EMPLOYMENT ASSISTANCE PROGRAM

This addendum to Arkansas' Transitional Employment Assistance (TEA) State Plan allows for funding for the Arkansas Better Chance for School Success Program to be utilized in Arkansas' TANF program. The expenditures are utilized in accordance with the regulations provided for under the Arkansas Better Chance program.

